



# NEWS RELEASE

Internal Revenue Service - Criminal Investigation  
Los Angeles Field Office  
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For Immediate Release: October 8, 2014

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CI Release #: LAFO-2014-25

## **Former USC Professor Pleads Guilty to a Federal Fraud Charge**

*Defendant Received a Research Grant of \$99,999.00 Based on a Fraudulent Statement*

LOS ANGELES – Appearing before United States District Court Judge John F. Walter, a former University of Southern California ("USC") professor pleaded guilty late this afternoon to a federal fraud charge following an investigation of grant and research fraud.

Alexander Tartakovsky, 59, of Somers, Connecticut, pleaded guilty to one count of making a false statement on a research grant application that was submitted to the U.S. Department of Energy ("DOE") on behalf of his company.

According to the plea agreement filed with the court, from January 1, 1998 through December 31, 2012, Tartakovsky was employed full-time at USC as a research professor with his salary being paid primarily by grants from the United States government. In 2006, Tartakovsky and his wife formed Argo Science Corporation ("Argo").

In June of 2009, Tartakovksy signed a Small Business Innovation and Research ("SBIR") application that sought \$99,999.00 to conduct research on a project. As part of the application, Tartakovsky falsely stated that his primary employment would be with Argo at the time of the award even though he knew that his primary employment would be at USC.

The DOE ultimately awarded a research grant to Argo for the DOE Project and paid Argo \$99,999.00. Tartakovsky's false statement regarding his primary employment was material to the DOE as the department would not have awarded the project to Argo or paid Argo \$99,999.00 if it had known that Tartakovsky's primary employment was not with Argo.

When Tartakovsky is sentenced by Judge Walter on December 22, 2014, the statutory maximum sentence he will receive for the offense to which he is pleading guilty is five years imprisonment and a fine of \$250,000. In addition, Tartakovsky may be ordered to pay restitution of \$99,999.00.

The investigation and prosecution of Tartakovsky was conducted by IRS Criminal Investigation, NASA, the Defense Criminal Investigative Service, the U.S. Department of Energy, and the National Science Foundation, in conjunction with the United States Attorney's Office for the Central District of California.

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